



City of San Diego
CARL DEMAIO
CITY COUNCILMEMBER –DISTRICT 5

MEMORANDUM

DATE: May 12, 2011

TO: Mayor Jerry Sanders
City Council President Tony Young

CC: City Councilmembers and City Attorney

FROM: Councilmember Carl DeMaio *Carl DeMaio*

RE: Full Public Transparency on Retiree Health Care Deal with Labor Unions

As you are aware, San Diego taxpayers have been burned by previous deals made by city leaders that were originally hailed as “good news” but ultimately turned out to cost taxpayers millions.

The Retiree Health Care Deal that city leaders and labor unions have entered into will cost taxpayers \$1.8 billion. In addition, the deal will be memorialized in an unprecedented 15 year contract – providing time for city employees to retire and secure “vested status” for the retiree health care benefits.

Given the significant cost and legal commitments made under this proposed deal, the public deserves full transparency on all supporting data and documentation related to the deal and its financial forecasts, as well as given proper time to evaluate the information before the Mayor and City Council make a final decision.

Detailed forecasts and the supporting assumptions behind the numbers being referenced by city leaders in the media to sell this deal have not been publicly released. In addition, comments made by city leaders are not consistent with data provided to my office during the negotiations.

Given that full transparency has not been provided on this deal, I join the San Diego County Taxpayers Association and the *San Diego Union Tribune* in respectfully requesting a delay of tomorrow's planned special meeting of the City Council to ratify the retiree healthcare agreement.

I look forward to the full release of the data relating to this deal, and the ample time for the public to review and comment on the data and terms of the deal, before a final decision is made by the Mayor and City Council.